GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3315
ANSWERED ON:22.12.2008
DISTRESS SALE BY FARMERS
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Yaskhi Shri Madhu Goud

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether small farmers of the country are compelled to sell their produce in distress at a low price to the contractors and buy the same at a higher price for their consumption;

(b) if so, the details thereof;

(c) whether the Commission on Agricultural Costs and Prices has also suggested any measures to tackle this problem; and

(d) if so, the details thereof and the remedial steps taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a)&(b): No, Sir. The Government extends price support to paddy, wheat and coarsegrains through the Food Corporation of India and State agencies. All foodgrains conforming to the prescribed specifications are bought by the public procurement agencies at Minimum Support Price (MSP).As per Government policy farmers are free to sell their produce to the Government agencies at MSP or to private agencies, as is advantageous to them. One of the objectives of this policy is to ensure that farmers get remunerative prices for their produce and do not have to resort to distress sale.

(c): No, Sir.In the Price Policy Report of 2008-09, there is no reference "to small farmers selling their produce in distress i.e. sell at a low price to contractors and buy the same at a higher price for their consumption".

(d): Does not arise.